reinstated an application interview in part because of a 6–7 percent ineligibility rate. The two major factors which seem to determine the error and ineligibility rates are (1) policy complexity and (2) degree of close review by staff during the eligibility process.

Current methods of full investigation though tedious and demeaning may not be efficient or effective. Staff members are usually not trained in investigation, assets may be easily hidden, e.g., bank accounts transferred to distant banks, and both staff members and clients may resent the process strongly enough to reduce its effectiveness. There may, in fact, be a net reduction in costs with Declaration since the expense of establishing eligibility is reduced and part of the burden shifted to the applicant as he is given the responsibility of completing his application. The saving which may be substantial is then used to provide additional services of various kinds.

There are no commonly accepted standards for a tolerable level of errors in Public Assistance administration. The range reported may seem too high or quite modest. We can, however, make a crude comparison with other government programs and with an earlier review of the AFDC program. As noted, validation reviews tend to find ineligibility rate of less than 4 percent. An AFDC caseload review[6] carried out by H.E.W. in 1962/63 found similar or higher rates. They estimated an overall ineligibility rate of 5.4 percent varying between eleven States with less than 2 percent through two States with over 15 percent. Their findings also indicate that complex policy criteria are associated with high rates of errors. If income were the sole eligibility requirement, fifteen States would have less than 2 percent ineligibility and the two highest States would have 8.9 percent and 9.3 percent.[7]

The Veterans Administration, using a highly simplified declaration form, declares that a spot-check comparison with social security records shows a .3 percent ineligibility rate.[8] The federal income tax, is the nation's foremost self-declaration (and assessment) procedure. Arithmetical errors, "defects," are reported in over half the returns filed, and are predominantly (1½ to 1) in the taxpayers favor. The I.R.S. audited ("validated") 3.5 million returns in 1966 about 3 percent of returns and probably a selected high risk group. Almost two million "resulted in deficiency recommendations."[9] This suggests that at least 2 percent of tax payers submit returns which are seriously in error. To make a rough analogy the I.R.S. found over 50 percent of its returns were "defective" and discovered a two percent ineligiblity rate.

Since these conclusions do not lead the American people to recommend home visits or investigatory interviews with each taxpayer, they suggest that much smaller defect rates and quite comparable ineligibility rates ought to be tolerable in Public Assistance.

E. Innovations, Incentives, and Barriers

Innovation can be seen as one possible response of organization policy-makers to internal or external pressures. Such pressures are transmitted in part through the operation of interest groups who press their demands upon policy-makers. Recent research suggest that the extent of innovation is related to a combination of three factors; (1) the motivation of the executive as indicated, for example, by his training and career goals, (2) resources available, indicated by agency size, variety and training of staff and State size and wealth; and (3) barriers or resistances to innovation; e.g., lack of plan into which the innovation can fit; concern over impact on other program aspects and controlling effects of external environment.[10]

Neither space nor available data permit a complete discussion of the relationship between these broad factors and the extent of change introduced by the States. It is possible to discuss in general terms the attitudes and activities of some of the interest groups who are or might be involved as resources pressing for or barriers resisting adoption of Declaration.

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[6] U.S. Department of Health, Education and Welfare, *Eligibility of Families Receiving Aid to Families with Dependent Children: A Report Requested by the Senate Appropriations Committee,* (Washington), July, 1963.

[7] *Ibid,* Table 2, p. 13.

[8] Sar A. Levitan, *Programs in Aid of the Poor,* (Kalamazoo), W. E. Upjohn Institute for Employment Research, December, 1965, p. 16.

[9] U.S. Internal Revenue Service, *1966 Annual Report,* (Washington, U.S. Government Printing Office, 1966) pp. 21–22.

[10] Robert E. Mytinger, *Innovation in Local Health Services,* U.S. Department of Health, Education and Welfare, Public Health Service Publication No. 1664–2, (Washington, U.S. Government Printing Office, February, 1968.)